

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
TEXARKANA DIVISION**

**PIZZA HUT, LLC, as successor-in-
Interest to PIZZA HUT, INC.,**

Plaintiff,

V.

Civil Action No.

**JIGNESH N. PANDYA;
PANDYA PROPERTIES, LLC;
ROHAN PROPERTIES, LLC;
PANDYA REAL ESTATE HOLDINGS,
LLC; PANDYA MANAGEMENT, LLC;
1637 NJ-38 LLC; 2201 STREET RD,
LLC; 240 NUTT RD, LLC; R2
CONTRSTRUCTION, LLC; AND
MITAL PANDYA**

Defendants,

PLAINTIFF'S ORIGINAL COMPLAINT

Plaintiff Pizza Hut, LLC (“Pizza Hut”) files this Original Complaint against Defendants Jignesh N. Pandya (“J. Pandya”), Pandya Properties, LLC (“Pandya Properties”), Rohan Properties, LLC (“Rohan Properties”), Pandya Real Estate Holdings, LLC (“Pandya Real Estate Holdings”), Pandya Management, LLC (“Pandya Management”), 1637 NJ-38 LLC (“1637”), 2201 Street Rd, LLC (“2201”), 240 Nutt Rd, LLC (“240”), R2 Construction, LLC (“R2 Construction”), and Mital Pandya (M. Pandya) (collectively, the “Defendants”), and alleges as follows:

PRELIMINARY STATEMENTS

1. This fraudulent transfer action arises from J. Pandya's attempts to hinder, delay, and defraud its creditor. Pizza Hut sued J. Pandya for breach of contracts and violations of the Lanham Act stemming from J. Pandya breaching a series of franchise agreements with Pizza Hut

and refusing to pay millions of dollars in fees. After a five-day bench trial, this Court ruled for Pizza Hut on all of its claims awarding Pizza Hut more than \$11 million in damages and attorney's fees. Subsequently, Pizza Hut served post-judgment discovery seeking information regarding J. Pandya's assets, which he refused to provide. Pizza Hut then subpoenaed J. Pandya's bank records and uncovered he had been fraudulently transferring thousands of dollars from his personal bank account to his wife M. Pandya and the following entities, all of which he controls: Pandya Properties, Rohan Properties, Pandya Real Estate Holdings, Pandya Management, 1637, 2201, 240, R2 Construction (collectively, the "Transfer Defendants").

PARTIES

2. Plaintiff Pizza Hut, LLC is a Delaware limited liability company with its principal place of business in Plano, Collin County, Texas.

3. Defendant Pandya Properties, LLC ("Pandya Properties") is a Pennsylvania limited liability company with its principal place of business at 121 Friends Lane, Suite 301, Newtown, Pennsylvania 18940.

4. Defendant Rohan Properties, LLC is a Pennsylvania limited liability company with a principal place of business at 121 Friends Lane, Suite 301, Newtown, Pennsylvania 18940.

5. Defendant Pandya Real Estate Holdings, LLC is a Pennsylvania limited liability company with a principal place of business at 210 E. Street Rd., Suite 3B, Feasterville, Pennsylvania 19053.

6. Defendant Pandya Management, LLC is a Pennsylvania limited liability company with a principal place of business at 210 E. Street Rd., Suite 3B, Feasterville, Pennsylvania 19053.

7. Defendant 1637 NJ-38 LLC is a Pennsylvania limited liability company with a principal place of business at 210 E. Street Rd., Suite 3B, Feasterville, Pennsylvania 19053.

8. Defendant 2201 Street Rd, LLC is a Pennsylvania limited liability company with a principal place of business at 210 E. Street Rd, Suite 3B, Feasterville, Pennsylvania 19053.

9. Defendant 240 Nutt Rd, LLC is a Pennsylvania limited liability company with a principal place of business at 121 Friends Lane, Suite 301, Newtown, Pennsylvania 18940.

10. Defendant R2 Construction, LLC is a Pennsylvania limited liability company with a principal place of business at 3810 Old William Penn. Hwy., Murrysville, Pennsylvania 15668.

11. Defendant Jignesh N. Pandya is a resident of Pennsylvania with a last known address of 8 Woodland Road, Newtown, Pennsylvania 18940.

12. Defendant Mital Pandya is a resident of Pennsylvania with a last known address of 8 Woodland Road, Newtown, Pennsylvania 18940.

JURISDICTION AND VENUE

13. This Court has diversity jurisdiction under 28 U.S.C. § 1332 because the parties are of diverse citizenship and the amount in controversy exceeds \$75,000.00.

14. This Court has personal jurisdiction over the Defendants because the fraudulent transfers derive from the proceeding and judgment in the Eastern District of Texas, Civil Action No. 5:21-cv-89.

15. Venue is proper in the Eastern District of Texas (Sherman Division) under 28 U.S.C. § 1391(b)(2) because the fraudulent nature of the transfers arises from the previous proceeding and judgment in the Eastern District of Texas.

BACKGROUND

16. On July 14, 2022, this Court entered an Amended Final Judgment awarding Pizza Hut over \$6 million in damages [Doc. 414]. Subsequently, on December 22, 2022, this Court entered a Second Amended Final Judgment (“Final Judgment”) for Pizza Hut awarding Pizza Hut

over \$11 million in damages and attorney's fees [Doc. 457]. Since entry of the Final Judgment, Pizza Hut has engaged in post-judgment discovery seeking information on J. Pandya's assets, including financial and bank statements.

17. J. Pandya refused to provide any information to Pizza Hut resulting in Pizza Hut filing a motion to compel that remains pending [Doc. 439]. Subsequently, Pizza Hut issued a subpoena to Citizens Bank for J. Pandya's bank records. Upon receiving the bank records, Pizza Hut discovered J. Pandya had been making fraudulent transfers to M. Pandya and several entities wholly owned and controlled by J. Pandya.

18. According to Citizens Bank records, since as early as June 2020, J. Pandya transferred over a million dollars to the Transfer Defendants, including but not limited to:

<u>From</u>	<u>To</u>	<u>Date</u>	<u>Amount</u>
Jignesh N. Pandya – Account Number – 036076150	Mital Pandya – 20752164	December 30, 2022	\$130,000.00
Jignesh N. Pandya – Account Number – 036076150	Mital Pandya – 20752164	December 12, 2022	\$3,816.12
Jignesh N. Pandya – Account Number – 036076150	Mital Pandya – 20752164	December 12, 2022	\$14,218.47
Jignesh N. Pandya – Account Number – 036076150	Mital Pandya – 20752164	November 29, 2022	\$803,599.00
Jignesh N. Pandya – Account Number – 6225468696	Mital Pandya – 20752164	November 29, 2022	\$20,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	September 23, 2022	\$343.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Properties – 6239451618	September 16, 2022	\$18,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	September 2, 2022	\$100,000.00
Jignesh N. Pandya –	Mital Pandya	September 1, 2022	\$10,000.00

<u>From</u>	<u>To</u>	<u>Date</u>	<u>Amount</u>
Account Number – 036076150			
Jignesh N. Pandya Checking XXXXXX-869-6	R2 Construction – 6239451596	August 8, 2022	\$1,000.00
Jignesh N. Pandya Checking XXXXXX-869-6	Pandya Properties – 6239451618	July 25, 2022	\$2,814.79
Jignesh N. Pandya Checking XXXXXX-869-6	Pandya Management – 6305813209	July 19, 2022	\$2,000
Jignesh N. Pandya Checking XXXXXX-869-6	R2 Construction – 6239451596	July 1, 2022	\$2,500.00
Jignesh N. Pandya Checking XXXXXX-869-6	Pandya Management – 6305813209	July 1, 2022	\$8,000.00
Jignesh N. Pandya Checking XXXXXX-869-6	Pandya Real Estate Holdings – 6304306265	June 23, 2022	\$400.00
Jignesh N. Pandya Checking XXXXXX-869-6	R2 Construction – 6239451596	June 17, 2022	\$1,500.00
Jignesh N. Pandya Checking XXXXXX-869-6	R2 Construction – 6239451596	June 13, 2022	\$2,000.00
Jignesh N. Pandya Checking XXXXXX-869-6	R2 Construction – 6239451596	June 13, 2022	\$2,500.00
Jignesh N. Pandya Checking XXXXXX-869-6	2201 Street Rd, LLC – 6306026979	June 10, 2022	\$5,000.00
Jignesh N. Pandya Checking XXXXXX-869-6	417 Baltimore Pike, LLC – 6309214857	June 10, 2022	\$3,000.00
Jignesh N. Pandya Checking XXXXXX-869-6	Pandya Properties – 6239451618	May 16, 2022	\$500.00
Jignesh N. Pandya Checking XXXXXX-869-6	Pandya Management – 6305813209	May 16, 2022	\$12,000.00
Jignesh N. Pandya Checking XXXXXX-869-6	R2 Construction – 6239451596	May 12, 2022	\$3,000.00

<u>From</u>	<u>To</u>	<u>Date</u>	<u>Amount</u>
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	May 12, 2022	\$2,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	May 11, 2022	\$900.00
Jignesh N. Pandya Checking XXXXXX- 869-6	417 Baltimore Pike, LLC – 6309214857	April 13, 2022	\$250.00
Jignesh N. Pandya Checking XXXXXX- 869-6	1637 NJ-38 LLC – 6305813217	April 13, 2022	\$900.00
Jignesh N. Pandya – Account Number – 036076150	Mital Pandya	April 6, 2022	\$5,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	March 10, 2022	\$3,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	February 8, 2022	\$5,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Rohan Properties – 6236182578	February 8, 2022	\$13,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	January 21, 2022	\$5,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Real Estate Holdings – 6304306265	January 18, 2022	\$6,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	January 14, 2022	\$5,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Properties – 6239451618	January 3, 2022	\$2,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Properties – 6239451618	October 28, 2021	\$6,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Properties – 6239451618	October 19, 2021	\$13,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Rohan Properties – 6236182578	October 18, 2021	\$700.00

<u>From</u>	<u>To</u>	<u>Date</u>	<u>Amount</u>
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	October 18, 2021	\$1,200.00
Jignesh N. Pandya Checking XXXXXX- 869-6	2201 Street Rd, LLC – 6306026979	September 9, 2021	\$8,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Rohan Properties – 6236182578	September 1, 2021	\$500.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	August 17, 2021	\$1,500.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Rohan Properties – 6236182578	August 16, 2021	\$1,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	August 13, 2021	\$1,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	2201 Street Rd, LLC – 6306026979	August 12, 2021	\$5,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Properties – 6239451618	August 11, 2021	\$6,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	June 15, 2021	\$3,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	1637 NJ-38 LLC – 6305813217	June 15, 2021	\$2,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	June 15, 2021	\$5,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	2201 Street Rd, LLC – 6306026979	June 14, 2021	\$1,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	June 11, 2021	\$1,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	2201 Street Rd, LLC – 6306026979	May 28, 2021	\$5,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	May 27, 2021	\$30,000.00

<u>From</u>	<u>To</u>	<u>Date</u>	<u>Amount</u>
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	May 14, 2021	\$13,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	May 11, 2021	\$6,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	April 29, 2021	\$10,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	April 27, 2021	\$10,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	April 26, 2021	\$5,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	April 20, 2021	\$40,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Real Estate Holdings – 6304306265	April 16, 2021	\$15,000.00
Jignesh N. Pandya – Account Number – 036076150	Mital Pandya	March 9, 2021	\$5,000.00
Jignesh N. Pandya – Account Number – 036076150	Mital Pandya	December 23, 2021	\$8,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	March 17, 2021	\$2,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	R2 Construction – 6239451596	March 1, 2021	\$15,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Properties – 6239451618	February 26, 2021	\$10,000.00
Jignesh N. Pandya Checking XXXXXX- 869-6	Pandya Management – 6305813209	February 26, 2021	\$5,000.00
Jignesh N. Pandya – Account Number – 036076150	Mital Pandya	June 12, 2020	\$9,000.00

CAUSES OF ACTION

Count 1: Fraudulent Transfer Under Texas Uniform Fraudulent Transfer Act (All Defendants)

19. Pizza Hut incorporates the allegations contained in paragraphs 1 through 18 above as if the same were restated in full herein.

20. Under Section 24.005(a)(1) of TUFTA, a transfer made by a debtor is fraudulent as to a creditor whose claim arose before the transfer was made, if the debtor made the transfer with actual intent to hinder, delay, or defraud any creditor of the debtor.

21. Additionally, under Section 24.005(a)(2) of TUFTA, a transfer made by a debtor is fraudulent as to a creditor whose claim arose before the transfer was made, if (1) the debtor made the transfer without receiving reasonably equivalent value in exchange for the transfer, and (2) the debtor intended to incur, or believed or reasonably should have believed that the debtor would incur debts beyond the ability of debtor's ability to pay as they became due.

22. J. Pandya has made transfers to the Transfer Defendants which are actually or constructively fraudulent as to Pizza Hut pursuant to TEX. BUS. & COMM. CODE 24.005 and 24.006.

23. J. Pandya made transfers to the Transfer Defendants without receiving reasonably equivalent value.

24. J. Pandya is an insider of the Transfer Defendants.

25. J. Pandya retained control of the property transferred after the transfers.

26. J. Pandya has concealed his assets from Pizza Hut or removed them through fraudulent transfers.

27. Prior to the transfers, J. Pandya had been sued by Pizza Hut.

28. The transfers were of substantially all of J. Pandya's assets.

29. J. Pandya actually intended to hinder, delay, or defraud Pizza Hut in making transfers to the Transfer Defendants.

30. Pizza Hut seeks avoidance of all transfers from J. Pandya to the Transfer Defendants.

31. Pizza Hut seeks attachment of all assets transferred to the Transfer Defendants.

32. Pizza Hut has been required to employ counsel to represent its interests as a result of the foregoing cause of action against Defendants. Pizza Hut seeks all reasonable and necessary attorneys' fees, expenses, and costs of court for the work done prior to and at trial, on appeal to the Court of Appeals, and to the Texas Supreme Court pursuant to applicable law, including, but not limited to, § 24.013 of the Texas Business and Commerce Code.

33. Pizza Hut seeks an injunction against the transfer by J. Pandya of any additional assets to the Transfer Defendants.

Count 2: Fraudulent Transfer Under Pennsylvania Uniform Fraudulent Transfer Act
(All Defendants)

34. Pizza Hut incorporates the allegations contained in paragraphs 1 through 33 above as if the same were restated in full herein.

35. Under Section 5104 of the Pennsylvania Uniform Fraudulent Transfer Act ("PUFTA"), a transfer made by a debtor is fraudulent as to a creditor whose claim arose before the transfer was made, if the debtor made the transfer with actual intent to hinder, delay, or defraud any creditor of the debtor.

36. Additionally, under Section 5104 of PUFTA, a transfer made by a debtor is fraudulent as to a creditor whose claim arose before the transfer was made, if (1) the debtor made the transfer without receiving reasonably equivalent value in exchange for the transfer, and (2) the

debtor intended to incur, or believed or reasonably should have believed that the debtor would incur debts beyond the ability of debtor's ability to pay as they became due.

37. J. Pandya has made transfers to the Transfer Defendants that are actually or constructively fraudulent as to Pizza Hut pursuant to PUFTA Sections 5104 and 5105.

38. J. Pandya made transfers to the Transfer Defendants without receiving reasonably equivalent value.

39. J. Pandya is an insider of the Transfer Defendants.

40. J. Pandya retained control of the property transferred after the transfers.

41. J. Pandya has concealed his assets from Pizza Hut or removed them through fraudulent transfers.

42. Prior to the transfers, J. Pandya had been sued by Pizza Hut.

43. The transfers were of substantially all of J. Pandya's assets.

44. J. Pandya actually intended to hinder, delay, or defraud Pizza Hut in making transfers to the Transfer Defendants.

45. Pizza Hut seeks avoidance of all transfers from J. Pandya to the Transfer Defendants.

46. Pizza Hut seeks attachment of all assets transferred to the Transfer Defendants.

47. Pizza Hut seeks an injunction against the transfer by J. Pandya of any additional assets to the Transfer Defendants.

Count 3: Attorneys' Fees (All Defendants)

48. Pizza Hut incorporates the allegations contained in paragraphs 1 through 46 above as if the same were restated in full herein.

49. As a result of Defendants' actions, it was necessary for Pizza Hut to retain the services of Hedrick Kring Bailey, PLLC, to collect the money Pizza Hut is owed. Pizza Hut, therefore, seeks a recovery from Defendants for the reasonable costs and attorneys' fees incurred as a result of Pizza Hut's claim for fraudulent transfer of assets as permitted by Tex. Bus. & Com. Code Ann. § 24.013, as well as under principles of equity.

REQUEST FOR RELIEF

Pizza Hut respectfully requests that this Court, upon final disposition of this matter, enter judgment against Defendants for the following relief:

- (a) the avoidance of all transfers of assets to Transfer Defendants;
- (b) attachment to all assets transferred from J. Pandya to the Transfer Defendants;
- (c) all costs of court,
- (d) any and all costs and reasonable attorneys' fees incurred in any and all related appeals and collateral actions (if any);
- (d) Such other relief to which this Court deems Pizza Hut is justly entitled.

Respectfully submitted,

/s/ Geoff Culbertson

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